

---

By: **Delegate Feldman**

Introduced and read first time: February 5, 2004

Assigned to: Economic Matters

---

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Liability Insurance - Personal Injury Protection Coverage -**  
3 **Waiver**

4 FOR the purpose of providing that a waiver of certain personal injury protection  
5 benefits made by a person that is insured continuously by the insurer is effective  
6 until the waiver is withdrawn in writing; and generally relating to the waiver of  
7 personal injury protection benefits in connection with a motor vehicle liability  
8 insurance policy.

9 BY repealing and reenacting, with amendments,  
10 Article - Insurance  
11 Section 19-506  
12 Annotated Code of Maryland  
13 (2002 Replacement Volume and 2003 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article - Insurance**

17 19-506.

18 (a) (1) If the first named insured does not wish to obtain the benefits  
19 described in § 19-505 of this subtitle, the first named insured shall make an  
20 affirmative written waiver of those benefits.

21 (2) If the first named insured does not make an affirmative written  
22 waiver under this section, the insurer shall provide the coverage described in §  
23 19-505 of this subtitle.

24 (b) (1) A waiver made under this section constitutes a waiver of all the  
25 benefits described in § 19-505 of this subtitle, whether provided under:

26 (i) the first named insured's policy;

1 (ii) any other motor vehicle liability insurance policy issued in the  
2 State; or

3 (iii) another form of security used in place of a motor vehicle liability  
4 insurance policy as authorized under § 17-103 of the Transportation Article.

5 (2) Subject to paragraph (3) of this subsection, a waiver made under this  
6 section is binding on the following individuals covered by the policy:

7 (i) each named insured;

8 (ii) each listed driver; and

9 (iii) each member of the first named insured's family residing in the  
10 first named insured's household who is at least 16 years old.

11 (3) An individual listed in paragraph (2)(ii) or (iii) of this subsection may  
12 recover the benefits described in § 19-505 of this subtitle under another motor vehicle  
13 liability insurance policy if that individual:

14 (i) is the first named insured under the other policy;

15 (ii) has not waived the benefits described in § 19-505 of this  
16 subtitle under the other policy; and

17 (iii) is not a named insured under any other motor vehicle liability  
18 insurance policy under which a waiver of the benefits described in § 19-505 of this  
19 subtitle is in effect.

20 (c) A waiver made under this section is not effective unless, prior to the  
21 waiver, the insurer gives the first named insured written notice of the nature, extent,  
22 and cost of the coverage described in § 19-505 of this subtitle.

23 (d) (1) A waiver made under this section shall be made on the form that the  
24 Commissioner requires.

25 (2) The form may be part of the insurance contract.

26 (3) The form shall clearly and concisely explain in 10 point boldface type:

27 (i) the nature, extent, and cost of the coverage that would be  
28 provided under the policy if not waived by the first named insured;

29 (ii) each effect of a waiver as stated in subsection (b) of this section;

30 (iii) that a failure of the first named insured to make a waiver  
31 requires an insurer to provide the coverage described in § 19-505 of this subtitle;

32 (iv) that an insurer may not refuse to underwrite a person because  
33 the person refuses to waive the coverage described in § 19-505 of this subtitle; and

1                           (v)       that a waiver made under this section must be an affirmative  
2 written waiver.

3       (e)       A waiver made under this section by a person that is insured continuously  
4 by the Maryland Automobile Insurance Fund OR THE INSURER is effective until the  
5 waiver is withdrawn in writing.

6       (f)       (1)       An insurer may not refuse to underwrite a person because the person  
7 refuses to waive the coverage described in § 19-505 of this subtitle.

8                   (2)       An insurer that violates this subsection is subject to the penalties  
9 provided by §§ 4-113 and 4-114 of this article.

10       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
11 effect June 1, 2004.